

**Managed Risk Medical Insurance Board
October 22, 2008, Public Session**

Board Members Present: Cliff Allenby (Chairman), Areta Crowell, PhD, Sophia Chang, M.D., M.P.H., Richard Figueroa.

Ex Officio Members Present: Jack Campana (HFP Advisory Panel Chairman) and Bob Sands (California Health and Human Services Agency).

Staff Present: Lesley Cummings, Executive Director; Janette Lopez, Chief Deputy Director; Ron Spingarn, Deputy Director for External Affairs and Legislation; Seth Brunner, Acting Chief Counsel; Terresa Krum, Deputy Director for Administration; Ernesto Sanchez, Deputy Director for Eligibility, Enrollment, and Marketing; Shelley Rouillard, Deputy Director for Benefits and Quality Monitoring; Thien Lam, Operations Division Manager in the Eligibility Division; Brian O'Hara, Enrollment Entities and Certified Application Assistant Section Manager in the Eligibility Division; Larry Lucero, Manager, Special Projects Section in the Eligibility Division; Sarah Soto-Taylor, Project Manager in the Eligibility Division; Mary Watanabe, Research Analyst in Benefits and Quality Monitoring; Kathy Dobrinen, Contract and Marketing Manager in the Eligibility Division; Naomi Yates, Policy Manager in the Eligibility Division; Renee Mota-Jackson, Project Manager, Benefits and Quality Monitoring; Loressa Hon, Financial Operations Manager, Maria Angel, Legal Secretary; and Stacey Sappington, Executive Assistant to the Board.

Chairman Cliff Allenby called the meeting to order at 10:07 a.m. The Board then went into Executive Session. It reconvened for Public Session at 11:05 a.m.

REVIEW AND APPROVAL OF SEPTEMBER 17, 2008 PUBLIC SESSION MINUTES

The Board reviewed the minutes from the September 17th meeting and unanimously approved them.

The document is located at

STATE BUDGET UPDATE

Chairman Allenby indicated that the state budget update will be presented at the November meeting.

FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY

August 17, 2007 Centers for Medicaid and Medicare Services (CMS) Letter Update

Ms. Cummings informed the Board that despite CMS's prior statement that it would not enforce the requirements set forth in the August 17th letter, CMS has applied the requirements to an 1115 waiver expansion submitted by the state of Oklahoma. Additionally, CMS is surveying states on their use of income disregards, a topic related to one of the requirements in the letter. Staff has provided a copy of the e-mail from CMS requesting this information.

Chairman Allenby asked if there were any questions or comments. There were none.

The email is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_5a.pdf

State Children's Health Insurance Program (SCHIP) Reauthorization

Ms. Cummings indicated that there has been no additional information on SCHIP reauthorization. She expressed a hope that Congress might consider including SCHIP in any additional economic stimulus package it might pass so that SCHIP directors were not walking the financial tightrope that results from waiting for Congressional action in February (given that funding is only through March).

Chairman Allenby asked if there were any questions or comments. There were none.

STATE LEGISLATION UPDATE

End of Session Legislative Report

Ms. Cummings informed the Board that Mr. Spingarn accepted a position with the Office of Statewide Health Planning and Development to serve as the Deputy Director for the Health Information Division. Chairman Allenby thanked Mr. Spingarn for his years of service to MRMIB and offered him congratulations on his promotion.

Mr. Spingarn noted speculation that the Governor might be calling another special session related to the current year budget gap. He informed the Board that over the course of the last state legislative session, staff had screened over 5,000 bills, summarized 88, and analyzed five. Staff also screened and analyzed federal legislation on SCHIP reauthorization. He then reviewed with the Board the final action on a number

of bills on the Board's tracking list. These included SB 697 (Yee), SB 1379 (Ducheny), AB 2 (Dymally), AB 1945(De La Torre), and SB 1440 (Kuhl).

Chairman Allenby asked if there were any questions or comments. There were none.

The end of session report can be found

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_6.a_10.22.08_Legislative_Summary_Report.pdf

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment and Single Point of Entry Report

Ms. Lam reported that more than 884, 000 children are enrolled in HFP, and more than 27, 000 new subscribers enrolled last month. The top five counties for enrollment continue to be in southern California, representing around 60 percent of total enrollment. Nearly 70 percent of applications received through the Single Point of Entry went to the HFP.

The report is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.a_HFP_Enrollment_Summary.pdf

Chairman Allenby asked if there were any questions or comments. There were none.

Administrative Vendor Performance Report

Ms. Lam presented the latest report to the Board. The contractor met all of its target goals.

The report is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.b_%20HFP_Adm_Vendor_Perf_September_2008_Summary.pdf

Chairman Allenby asked for any questions or comments. There were none.

Enrollment Entities (EE)/Certified Application Assistants (CAA) Reimbursement Report

Mr. Brian O'Hara presented the EE/CAA report. For the first three months of the 2008-09 fiscal year, the program paid a total of \$1.5 million to EEs for successful enrollment in Healthy Families or Medi-Cal. A total of \$16.2 million has been paid since EE/CAA reimbursement was reestablished in 2005-06. As of September 30th 20,480 CAAs and 3,244 EEs were active. MRMIB has certified 4,317 CAAs through web-based training. Health E applications (the electronic application that can be used by CAA's) now constitute 25 percent of all applications as of September 2008.

The report is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.c_HFPEE_ReimRpt10.22.08_1x.pdf

Chairman Allenby asked if there were any questions or comments. There were none.

Analysis of Enrollment Entities (EE)/Certified Application Assistants (CAA)
Reimbursement Trends.

Mr. Lucero presented a report to the Board that analyzes reimbursement trends for EE's/CAA's over a three year period. Following Mr. Lucero's presentation, Mr. Campana commented that the data showed that applications that have been assisted are more complete than those that are not. Mr. Lucero added that CAA's also are making a significant contribution to the improved retention rate.

Chairman Allenby asked if there were any questions or comments. There were none.

The report is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.d_EEReimbursementAnalysis.pdf

Long Term Program Retention

Mr. Sanchez presented a report to the Board that looks at long term program retention in HFP. Staff has presented a number of reports in the past that look at retention over a year's period. This report looks at the number of children remaining enrolled over multiple years. Producing it required a special analysis by the administrative vendor. The vendor reviewed enrollment from July 1998 through December 2007. The report includes the following information.

Retention after 12 months is 80 percent; after 24 months – 68 percent; after 36 months - 60 percent, after 48 months - 53 percent; after 60 months - 47 percent; after 72 months – 42 percent; after 84 months -37 percent; after 96 months - 33 percent and after 108 months - 28 percent.

Seventy three percent of subscribers were enrolled continuously. Twenty seven percent had a break in coverage of over a year. Fifty five percent maintained their coverage until they reached the age of 19. There were no discernable trends when the data were analyzed by Federal Poverty Level (FPL) and ethnicity.

The report also shows why children were disenrolled. Twenty seven percent were disenrolled for possibly “avoidable reasons” – this includes disenrollments because a child's annual eligibility review documents are not returned. The remainder are for unavoidable reasons such as no longer income eligible, aging out etc.

Chairman Allenby asked if there were any questions or comments. There were none.

The report can be found at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/agenda_item_7.e_Long_term_Program_Retention.pdf

Children's Health Initiative Update

Ms. Soto Taylor reminded the Board that the First Five Commission had provided funding to MRMB and the Department of Health Care Services (DHCS) to conduct an assessment of the Children's Health Initiatives (CHI's), CalKids and Kaiser Cares for Kids. The assessment is premised under an assumption that there will be state legislation that covers all California children via a state program.

MRMIB staff, DHCS staff and Irma Michel, a consultant for Packard, had met with all of the CHI's. Staff has surveyed their eligibility processes and enrollment systems. Staff has also met with advocate groups to discuss the guiding principles for any possible transition. Advocates want to minimize the amount of additional information that a family would have to provide to the state and to use electronic data to the extent possible.

The survey team found that most of the children being served by CHI's would be Medi-Cal (MC) eligible. Most are under 200 percent FPL. Less than 10 percent have family incomes between 250-300 percent. There are eight counties using one –e-application technology. Transferring children from these counties would be relatively simple. The other counties have varied electronic systems and data record keeping. Some don't collect all of the data on the HFP/MC joint application. Some do not have data sharing agreements. Some use passive enrollment. Thus, transferring children from these counties will require more effort.

Ms. Soto-Taylor went on to discuss the funding situation of the CHI's. Funding for children ages 0-5, provided by local First Five Commissions, appears stable, at least through June 2009. And most CHI's are actively enrolling children of this age. However, CHI's are generally not enrolling new children ages 6-18 because of the lack of funding. The CHI's maintain waiting lists of several thousand children for this population. Most of the funding for this population comes from the California Endowment. It appears this funding will be sustained through November 2009.

Next steps. The team will write a report outlining its recommendations for overcoming identified obstacles and proposing a transition plan.

Documents provided to the Board include enrollment and waitlists by CHI and a letter from some advocacy groups expressing commitment to keep working on this issue.

The documents are available at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/agenda_item_7.f_Childrens_Health_Initiative_Update.pdf

The Chairman asked for any questions or comments. There were none.

Approval of 2008-09 Healthy Family Plan Contract Amendments and Rates.

The Chairman proposed approval of the following health plans contracts in 2008-09: Alameda Alliance, Anthem Blue Cross, Blue Shield, Cal Optima, Care 1st, Community Health Plan, Contra Costa Health Plan, Health Net, Health Net Life Insurance Company,

San Joaquin JPA, San Mateo CHA, IEHP Health Access, Kaiser Foundation Health Plan, Inc., Kern Health Systems Group HP, LA Care Health Plan, Molina Healthcare of California, San Francisco CHS, CenCal Health, Santa Clara CHA, and Ventura Health Care Plan.

He proposed approval of the same list of plans for state-supported services contract.

He proposed approval of the following dental plan contracts: Access Dental Plan, Inc.; Delta Dental of California; Premier Access Insurance Company; Safeguard Dental; Western Dental Service, Inc. and Health Net.

He proposed approval of the following vision plan contracts: Safeguard Vision, Vision Service Plan and EyeMed Vision Care.

The Chairman asked for a motion and the Board unanimously voted to approve the contracts.

Ms. Lopez thanked the Board and informed them that staff had provided a handout that shows the service areas of the plans by county. Another shows the notice that HFP will provide to families about open enrollment timeframes.

These documents may be found at
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.g.pdf

Designation of Community Provider Plans

Ms. Watanabe reviewed a document detailing the 2008-09 CPP process. She discussed the purpose of the community plan designation. An audit would have been required for 28 counties according to the audit criteria. However, because plans withdrew from competition in 13 counties, staff conducted audits in 15 counties. She drew the Board's attention to the list of designations by county, noting that there will be a change in 10 counties. The chart shows the scores for each plan. Ms. Watanabe thanked the plan representatives who participated in the process, knowing that it is an arduous one with short time frames. Ms. Rouillard thanked Ms. Watanabe for her work on the project, noting as well the contributions of Mohammed Nowaz, Willie Sanchez and Alba Quiroz-Garcia. The Board also thanked the staff for their hard work.

The document can be found at
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.h_2008-09_CPP_Designation.pdf

Update on Rural Health Demonstration Project (RHDP) Awards for 2008-09

Ms. Moto-Jackson informed the Board that the budget as signed by the Governor provides a total of \$6.2 million for new rural health demonstration projects (RHDP). At the September meeting the Board had approved staff's recommendation to fund projects in priority order based on the level of funding provided in the final 2008-09 budget. This way, staff could proceed with contracting rather than wait for final budget action. The

amount provided by the budget is sufficient to fund all of the projects staff presented to the Board in September. Staff has been working with plans on the contracts and hope to get projects running by November 1st.

A report on the funded projects can be found at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.i_Update_on_RHDP.pdf

Chairman Allenby asked for any questions or comments. There were none.

2009-10 Model Plan Contracts

Ms. Lopez reviewed the contents of the 2009-10 plan model contracts, including a summary document. The Chairman asked her to focus on substantive changes. Ms. Lopez noted that in a traditional year, staff would have brought the model contract to two Board meetings to allow for ample time for input from the public and the plans. However, the challenges of the delayed 2008-09 budget precluded this. She requested that when the Board approves the model contracts, that it add to the resolution language allowing staff to bring to the Board in November, if necessary, issues that plans or the public raise. Ms. Lopez then reviewed the significant plan contract language changes included in the 2009-10 contracts.

Chairman Allenby asked for questions or comments. There were none. He then moved to approve the model contract amendments for health, dental and vision plans, with authorization for staff to make further changes, if needed, and report back to the Board. He asked for, and received, a second. The Board voted unanimously to approve the Chair's motion. Ms. Lopez indicated that the plans would receive electronic copies of the package the next day. She commented that the product was not hers alone, but rather was the results of effort by many MRMIB staff. She expressed appreciation for the support.

The report is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_7.j_5-Health_Dental_2009-10_Models.pdf

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Ms. Dobrinen presented the latest AIM enrollment report. In September, 887 new subscribers enrolled in the program, and there were 7,494 subscribers total. Latinas continue to make up the majority of subscribers. Los Angeles, San Diego, and Orange counties continue as the top enrollment counties, making up approximately 48 percent of the program's enrollment.

Chairman Allenby asked if there were any questions or comments. There were none.

The report is available at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_8.a_%20AIM_Enrollment_Summary.pdf

Administrative Vendor Performance Report

Ms. Dobrinen presented the latest report to the Board. The contractor met all of its target goals.

The report is available at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_8.b_AIM_Adm_Vendor_Perf_September_2008_Summary.pdf

Chairman Allenby asked if there were any questions or comments. There were none.

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Ms. Yates presented the latest report to the Board. MRMIP had an enrollment of 6,856. There were 268 applications submitted. As of October 4, 2008 the waiting list was 738.

Chairman Allenby asked if there were any questions or comments. There were none.

The report is located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_9.a_MRMIP_Enrollment_Summary.pdf

Administrative Vendor Performance Report

Noting Mr. Figueroa's request for information on calls to the MRMIP vendor, Ms. Yates indicated that the vendor had received 5,525 calls. One fourth concerned applying for MRMIP. Of those, 40 percent declined because of cost. Twenty percent did not indicate if they would be applying. Ms. Yates reported that MRMIB is closely monitoring the waiting list and trying to offer slots as soon as possible. Offers were made on the second week of September with an effective date of November 1st. Despite offering enrollment to some on the waiting list, the number waiting remains sizeable - 600 people. The waiting list is not growing as rapidly as in the past because of the reduced number of applications per month. Additionally, the administrative vendor met all performance standards.

The reports are located at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_9.b_MRMIP_Weekly_Wait.pdf

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_9.c_MRMIP_Adm_Vendor_Perf_for_September_2008.pdf

Chairman Allenby asked if there were any questions or comments. There were none.

Implementation of SB 1379

Ms. Cummings reminded the Board that at the September meeting it had instructed her that if SB 1379 were signed and AB 2 were not, MRMIP should enroll people from the waiting list, but only to the extent that the funding appropriated could cover their costs for three years. MRMIP is in the process of doing so. At the November meeting, the Board will hear the semi-annual enrollment estimate in which Pricewaterhouse Coopers will make recommendations for enrollments for the next calendar year. Those recommendations will occur after a more thorough analysis of overall program costs that was possible here. At that time, the Board can reconsider whether to continue enrollments from the waiting list. Ms. Cummings expressed thanks to the Department of Managed Health Care for quickly transferring the \$10,000,000 in SB 1379 funds to MRMIP.

The document is found at

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_102208/Agenda_Item_9.d_Implementation_of_SB_1379.pdf

There being no further business to come before the Board, Chairman Allenby duly adjourned the meeting at 12:25 pm.